

Letters to the Editor: Comment and Reply

Comment

Companies and Products: Two Vehicles for a Life Cycle Approach
by Helias A. Udo de Haes and Geert R. de Snoo, *Int. J. LCA* 1 (3) 168-170 (1996)

Lack of a Steering Force for a Life Cycle Approach to Company Certification

I agree with the authors that the environmental certification of companies is a promising tool for steering the economy in a more environmentally friendly direction. The popularity of the EMAS and ISO 14000 certification schemes is ample evidence for this. However, while the authors state that the primary motivation for the adoption of company certification schemes such as EMAS and ISO 14000 is likely to be company image, it is not at all clear whether company image is also the motivation for company certification in a chain perspective. In fact, it is currently difficult to define clear motivations for the company initiation of a Life Cycle Approach to company certification so that a suitable steering force is not apparent either.

The authors suggest that such a chain perspective could operate through companies in a production chain discriminating between their suppliers upstream in the chain according to whether they possess an environmental certificate. By choosing input products that have been produced in a more environmentally sound way and with more environmentally friendly materials, however, a company can reduce its overall environmental burden and improve the environmental characteristics of its own products. By ensuring that a company's suppliers have an environmental certificate, the image of the purchasing company can presumably be improved itself.

There are two major problems with this line of reasoning.

Firstly, most supplying companies produce more than one product, only some of which are purchased by any one particular company downstream in the chain. Environmentally conscious purchasing companies are primarily concerned with the environmental qualities of their specific inputs at present, that is their impact on the environment. Thus, in a production chain defined as a series of linked processes in the production of one product, companies are primarily concerned with the environmental certification of products upstream in the chain, rather than upstream supplying companies themselves. Of course, some environmental measures at the product level are applied at the level of the company as a whole, but why should purchasing companies seek the certification of processes in the production of prod-

ucts that may be quite unrelated to the ones that they themselves purchase?

Secondly, as the authors point out, company level certification schemes such as EMAS and ISO 14000 consist primarily of procedural criteria rather than substantive measures. Consequently, these company certification schemes as they stand say very little about the environmental qualities of the products produced by companies with certificates. Thus, a product produced in a series of certified companies through its entire production chain may still be environmentally inferior to another product with the same function, even if the latter is produced in firms without certificates. Therefore, even if purchasing companies do require their supplying companies to possess an environmental certificate, it is difficult to see how this will necessarily improve the image of the purchasing company.

Without clear motivations for the company initiation of voluntary environmental measures such as company certification in a chain perspective, there is likely to be no suitable steering force to direct such schemes. Furthermore, without a suitable steering force, it is unlikely that schemes utilizing a Life Cycle Approach to company certification will be developed and implemented. However, motivations for company certification in a chain perspective may develop over time and a steering force may emerge. The role of the government may be particularly important through the development of policy instruments to motivate companies to initiate such certification schemes. Also the development of a tool for the analysis of company impacts in production chains, corresponding to the Life Cycle Assessment of products, could assist in the development of substantive measures for incorporation in company certification schemes, consequently leading to more obvious environmental benefits.

Philip Huber
EPCEM Secretariat
Interfaculty Dept. of Environmental Science (IVAM)
University of Amsterdam
Nieuwe Prinsengracht 130
NL-1018 VZ Amsterdam
The Netherlands